

Property investors remain upbeat but looking at different locations to buy – and to live: PIPA national investor survey

For immediate release

The majority of property investors have remained upbeat during COVID-19, however the pandemic has made them reconsider not only where they buy, but also where they live, the [2020 PIPA Property Investor Sentiment Survey](#) has found.

The national annual survey, which gathered insights online from nearly 1,100 property investors during August, found that investors remained optimistic about the months ahead.

“While there is no doubt that 2020 has been one of the toughest in living memory for everyone around the globe, property investors have remained resilient in the face of the unprecedented uncertainty that we are all experiencing,” PIPA Chairman Peter Koulizos said.

“Indeed, about 67% of investors believe that now is a good time to invest in residential property, according to the survey, which is down from 82% in 2019 and no doubt a direct impact of the pandemic.

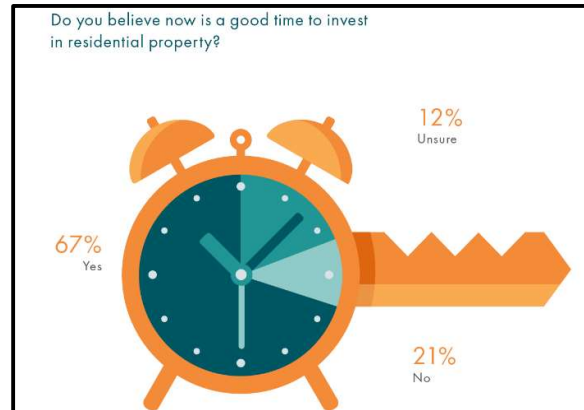
“However, at the current time, the property market has continued to show its resilience with prices materially stable in most parts of the nation.”

Some 77% of investors say any concerns about potential falling house prices won’t cause them to put their investment plans on hold, the survey found.

Mr Koulizos said about 44% of investors are looking to purchase a property in the next six to 12 months.

“Plus, about 71% of investors have indicated that the pandemic has made it less likely they will sell a property over the next year, which is another factor that will help to underpin property prices,” he said.

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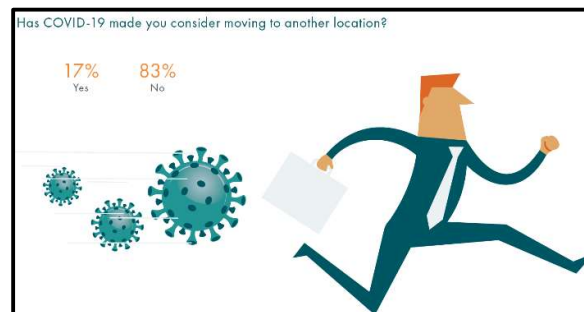


Investors open to moving other locations post-pandemic with regional areas set to benefit the most. Lifestyle factors and working from home the most common reasons

The survey found that more than 40% of investors intend to buy property in a different State or Territory to the one that they live in.

Mr Koulizos said interstate investing had been growing in popularity over recent years as investors become more educated about the strategy.

“Investors are recognising the value of working with property investment professionals to help them secure the best opportunities across the nation,” he said.



While the majority of investors remain keen to push forward with their investment plans over the next year, this year's survey also found they are considering buying, as well as living, in different locations.

More than 17% of investors indicated that the pandemic had made them consider moving to another location, with regional areas set to benefit the most, according to the national survey.

“It's no surprise that COVID19 and made many people reconsider their lifestyles with

nearly one fifth of investors indicating they are contemplating a move,” Mr Koulizos said.

“The survey found for those investors considering relocating the main reasons for doing so were improved lifestyle factors (78%), working from home in the future (46%) and housing affordability (40%).

“And it seems that regional locations are set to benefit from plenty of new residents with investors indicating their top locations to migrate to are regional NSW (21%), regional Qld (18%), Brisbane (16%) and regional Vic (14%).”



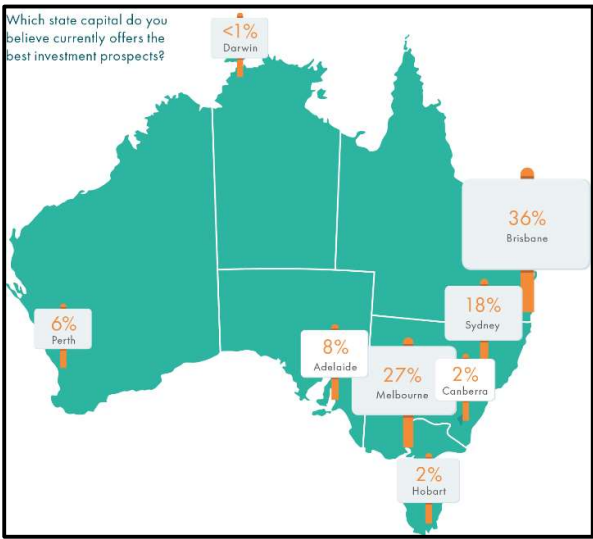
Metro locations falling in popularity with coastal and regional locations on the rise

The survey found that Queensland is definitely in the sights of investors, with 36% saying it offers the best investment prospects over the next year, followed by Victoria (27%) and New South Wales (21%).

The number of investors who see Brisbane as the state capital with the best investment prospects has fallen to 36%, down from 44% in 2019.

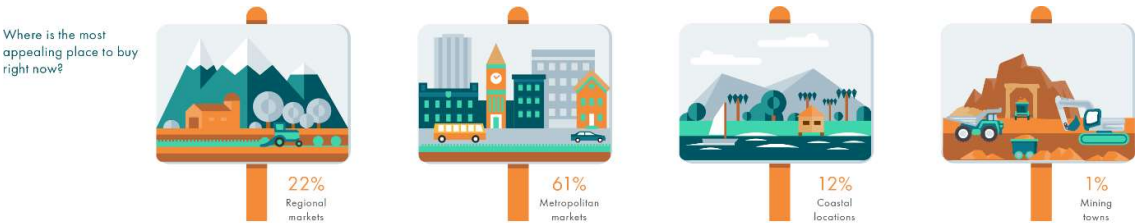
However, Brisbane continues to be seen more positively than Melbourne at 27%, the same as last year, Sydney at 18%, up from 14%, and Adelaide on 8%, up from 7%.

Perth has increased slightly in appeal (6% vs. 4% last year), while Canberra remains is up to 2% from 1% last year. Hobart is the top pick for 2% of investors while Darwin is in favour with only 0.2%

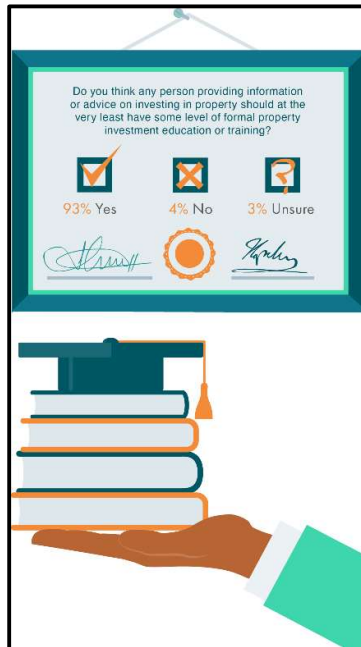


Investors remain keen on opportunities to invest in metropolitan markets, but the appeal is down from 73% in 2019 to 61% in 2020.

Meanwhile the proportion of investors that say regional markets are the most appealing has increased to 22% from 15% in 2019, with coastal locations also on the rise – up to nearly 12% from 8% last year.



Investors want to see greater professional standards and more education



The survey also found about 86% of all investors continue to believe that more education is needed around the risks and benefits of investing in property.

Plus, virtually all (93%) investors continue to think that any provider of property investment advice should have some sort of formal training.

“About 90% of investors believe the property investment industry should be regulated and licensed the same way financial planners, mortgage brokers and real estate agents are,” Mr Koulizos said.

“Many people are surprised that there is no formal licence required to provide property investment advice, which is why PIPA developed our code of conduct and qualified property investment advisor course many years ago to help protect investors.

“Indeed, the survey found that nearly 90% of investors are aware that PIPA exists – a similar result to the 2019 figure – while 28 per cent said an advisor’s PIPA membership influenced their decision in selecting them.”

ENDS

For more information, or to organise an interview with Peter Koulizos, please contact:

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About PIPA

Property Investment Professionals of Australia (PIPA) is a not-for-profit association established by industry practitioners with the objective of representing and raising the professional standards of all operators involved within property investment.

For more information visit www.pipa.asn.au

